



December 13, 2022

Proposal to the Board of Selectmen of the town of Sharon, Connecticut  
Conversion of the Community Center into 4 affordable apartment units

During 2022, a group of Sharon residents worked on a task force created by the Selectmen to develop the Sharon Affordable Housing Plan as mandated by the State of Connecticut. The need for additional affordable housing options proximate to shopping and schools, as well as other businesses was clearly defined in this Report.

The advantages of affordable housing to the community are manifest. Families seeking their first apartment, as well as folks downsizing from their present homes are clearly candidates for these opportunities, as they will either be available to work in the area, or if downsizing, will free up a home for the market. Today, there are very few homes available for sale or rent in Sharon that might be options for folks downsizing or first time renters/home buyers. Also, the waiting list for Sharon Ridge and the Sharon Ridge Expansion (32 units) is long, and only seems to be getting longer.

This proposal reviews the following:

- The structure of the relationship between the Town of Sharon and the Sharon Housing Trust as regards the property.
- Basic Physical Concept regarding the reuse of the Community Center
- The plans for fundraising the project
- The structure of the on-going management of the Community Center apartments
- The members of the Sharon Housing Trust – background and qualifications

**The structure of the relationship between the Town of Sharon and the Sharon Housing Trust as regards the property.**

Inasmuch as the Town of Sharon wishes to maintain ownership of the property at 99 Main Street, The Sharon Housing Trust would propose having a lease drafted by counsel which minimally enumerates the following:

- Parties to the Lease / Successors
- Term of the Lease / Value and Consideration / Transferability of the Lease
- Blanket permission from the town via referendum to contract for repairs and renovations to the structure in accordance with all zoning and building codes
- Insurance obligations
- Master tenant hold harmless to the Town for the sublet of apartments
- Any and all other requirements or covenants as may be recommended by SHT counsel or recommended or required by the Town of Sharon and its counsel



## **Basic Physical Concept regarding the reuse of the Community Center**

The concept involves the conversion of the structure into 4 apartments – 2 up and 2 down. The structure is approximately 1800 square feet per floor (3,600 square feet total), and could lend itself to 4 – 2 bedroom apartments of modest dimensions. The structure is basically open today, so additional internal structural support outside of the dividing walls between units on a floor may not be necessary.

ADA considerations would not require an elevator, as the building is 2 stories and less than 3000 sf per floor.

Of primary concern would be the architectural integrity of the external façade, and any plan would involve sensitive treatment and regard for the historical aspect of the structure.

A preliminary walkthrough by members of the Sharon Housing Trust has been conducted. To date, no actual plans have been developed, and work on that part of the project would only begin if the Town of Sharon views this proposal favorably, up and through a referendum.

## **The plans for fundraising the project**

The intent of the Sharon Housing Trust is to first better understand the needs and desires of the community at large, and as a result, the Trust is sponsoring an Open Forum for the community on January 15, 2023 at the Bok Gallery at the Sharon Playhouse (please see the addendums). The Board of the Playhouse has generously agreed to provide the space for this use, and the Sharon Housing Trust is most grateful. The Sharon Housing Trust is also grateful to the Litchfield County Center for Housing Opportunities and the Foundation for Community Health for providing a grant to facilitate this awareness building session with the Community. We believe this will be an important first step in making the Community aware of this possibility, as well as to gauge the sentiments of those who would care to share their perspectives and ideas.

The fundraising for the project can follow one of two paths. On the first path, private donations or grants could be solicited, and financing could be arranged by the Sharon Housing Trust (SHT) if sufficient resources can be privately raised. This path has the advantage of allowing for more discretion on the part of the SHT in determining the pool of applicants for the project (attributes such as income requirements, residency or occupational requirements as is the model for Habitat for Humanity of Northwest Connecticut). The second path would involve a hybrid of local fundraising activities and the seeking of financial support from the Connecticut Department of Housing. Less discretion in limits on the applicant pool, outside of income levels, would be available utilizing this path. Again, this would be a possible topic of discussion with the community that might surface as early as the January 2023 forum.



In either case, private fundraising would involve approaching the entire community, with a focus on certain members of the community who may be able to generously support this effort to maintain vitality in Sharon.

Fundraising would be an on-going process, as the Sharon Housing Trust is a registered 501(c)(3), and would hope to continue to raise funds from community solicitations or grants available to non-profits for the proliferation of more affordable housing solutions. The maintenance and growth of a vital community resource, such as the Sharon Housing Trust, would depend on continuing fundraising beyond the time frame for the inception and completion of this individual project. As it is with any non-profit organization, its ability to provide ongoing services under its mission is directly tied to recurring fundraising efforts. Galas, events, solicitations, gifts in kind and volunteer efforts are all integral to the health of any non-profit organization, and as such, are baked into the DNA, so to speak.

### **The structure of the on-going management of the Community Center apartments**

The Sharon Housing Trust would be the managing entity for the project, and for the continued management of the facility insofar as tenants, rents, accounting and reporting as well as all physical maintenance are concerned. Initially, these needs may all be taken care of internally or contracted for (lawn care, common areas maintenance, snowplowing), as there are only 4 units. As time progresses, if the organization is fortunate enough create more units, then it may be necessary to solicit a bid for services from an organization like Connecticut Real Estate Management, LLC of Cheshire, CT (CREM is used today by the Sharon Housing Authority, as are most of the existing similar communities in the area).

The rental structure will be somewhat driven by attributes such as rent not being in excess of 30% of AGI/family size. This computation expresses the maximum for the rent, to which is subtracted the costs of maintenance and common utilities.

Example:	Family of 4 – 80% AGI – \$78,500
Times .333	\$23,550
Divided by 12	\$1,962.50

Further modeling information is an addendum to this proposal.

Projected Annual Costs for 99 North Main Street (see the town budget 22/23 for the “Community Hall”:

Lawn	\$1500	Water/Sewer	\$1000
Plowing	\$1500	Contingency	\$2000
Cleaning	\$1000	Common Area	\$1000
PILOT	\$1000	Capital Fund	<u>\$2000</u>
Insurance	\$5000	TOTAL	\$16,000



In the models being developed for the rental pricing of the apartments, it may be possible to have conventional financing for some part of the costs of the renovations. It appears that the income generated by the rentals (which can vary based on the pricing decisions) will certainly cover the monthly/annual expense projections. This fact would permit there to be some level of financing for the renovations if the desire was to expedite the building process.

### **The members of the Sharon Housing Trust – background and qualifications**

On July 29th of 2022, new members were appointed to the Board of the Sharon Housing Trust. Pat Whelan, Dale Jones, Larry Moskowitz, Andrew Ferentinos and Lyman Whelan were added to the Board. In a meeting dated August 3rd of 2022, the existing members of the Sharon Housing Trust (Melinda Sweet, Christopher Clow, David Moore, Sharon Tingley and Tom Bartram) resigned from their roles on the Sharon Housing Trust. Sharon Tingley and Tom Bartram had expressed interest in continuing on the Board, and were nominated as returning members. Ms. Tingley subsequently re-evaluated her time commitments and decided to rescind her acceptance.

Arlin Deboer later joined the new members, and today the composition of the Board, and the members credentials are as follows:

- Pat Whelan (Treasurer - Sharon Housing Authority)
- Dale Jones (Selectman - Town of Sharon)
- Larry Moskowitz (Planning & Zoning Commission - Town of Sharon)
- Tom Bartram (Chair - Board of Finance - Town of Sharon and an original Member)
- Andrew Ferentinos (Architect and Sharon Resident)
- Lyman Whelan (Building Chair - Habitat for Humanity of Northwest Connecticut and Board of Finance Alternate - Town of Sharon)
- Arlin Deboer (Sharon Resident)

#### **Officers:**

- Lyman Whelan is President and Treasurer
- Larry Moskowitz is Vice-President
- Pat Whelan is Secretary

Further personal information would be made available upon request.